

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7120**  
**BILL NUMBER: SB 221**

**NOTE PREPARED:** Dec 23, 2004  
**BILL AMENDED:**

**SUBJECT:** Reorganization of State Health Agencies.

**FIRST AUTHOR:** Sen. Miller  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** The bill transfers the Office of Medicaid Policy and Planning (OMPP) and the Division of Mental Health and Addiction (DMHA) from the Office of the Secretary of Family and Social Services (FSSA) to the State Department of Health on January 1, 2006. It requires the Governor to report to the Legislative Council regarding statutory changes needed to make this transfer. The bill also requires the Legislative Services Agency to prepare legislation for the 2006 regular session of the General Assembly to change statutes affected by the transfer.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** The transfer of OMPP and DMHA and the statutory transfer of various functions and responsibilities to the State Department of Health will not necessarily represent a fiscal impact to the state. Any costs that might be incurred from a physical relocation of offices and any expenditures that could be reduced because of operational efficiencies will depend upon administrative actions.

*Background:* OMPP is currently established in the Office of the Secretary of Family and Social Services and is the single state agency for the administration of the state's Medicaid Program. This role would continue under the bill. DMHA has a director who is appointed by the Secretary. Under the bill, all powers, duties, and functions of both of these entities would transfer to the State Department of Health.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

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